



Order 90

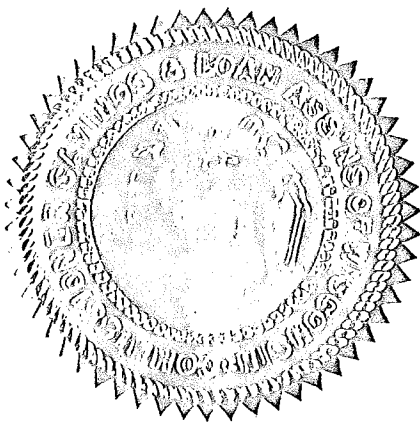
STATE OF WISCONSIN )

OFFICE OF COMMISSIONER OF SAVINGS AND LOAN )

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I, R. J. McMahon, Commissioner of Savings and Loan and custodian of the official records of the Office of Commissioner of Savings and Loan, do hereby certify that the annexed Order No. 90, repealing S-L 5.08 and S-L 10 and repealing and recreating S-L 12 and S-L 18.03 (7) and (8) (a), of the Rules of the Commissioner of Savings and Loan as contained in the Wisconsin Administrative Code, was adopted by the Commissioner of Savings and Loan and approved by the Savings and Loan Review Board on January 9, 1975.

I further certify that the copy of the Order annexed hereto has been compared by me with the original on file in this office and that the same is a true copy thereof, and the whole of such original.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of this Office in the City of Madison, this 28th day of January, 1975.

*R. J. McMahon*  
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 R. J. McMahon, Commissioner

STATE OF WISCONSIN  
OFFICE OF COMMISSIONER OF SAVINGS AND LOAN

Order No. 90

IN THE MATTER OF prescribing rules pursuant to authority contained in sections 215.02 (7) (a), 215.24 (5) and 227.014 (2) of the Wisconsin Statutes, regulating the business of savings and loan associations operating under chapter 215 of the Wisconsin Statutes.

WHEREAS, official notice of the proposed changes embodied in this Order were published in the Wisconsin Administrative Register, November 1974, No. 227, in accordance with s. 227.02 (1) (e), Wis. Stats., and no petition for a public hearing on the proposed changes has been filed with this office during the more than 30 days that have succeeded such publication of the official notice; and

WHEREAS, on November 6, 1974, members of the appropriate standing committees of the legislature were duly notified of the proposed changes in accordance with s. 227.018 (2), Wis. Stats., and, within the more than 30 days that have succeeded such notice, no committee of the legislature has directed this office to meet with it to review the draft; and

WHEREAS, the proposed changes were given final approval by the Commissioner of Savings and Loan and the Savings and Loan Review Board on January 9, 1975; now, therefore,

IT IS ORDERED, That Order 90 of the Office of the Commissioner of Savings and Loan is hereby adopted to read:

AN ORDER to repeal S-L 5.08 and chapter S-L 10; and to repeal and recreate chapter S-L 12 and S-L 18.03 (7) and (8) (a) of the Wisconsin Administrative Code, relating to the internal operations of state-chartered savings and loan associations.

SECTION 1. S-L 5.08 of the Wisconsin Administrative Code is repealed.

SECTION 2. S-L 10 of the Wisconsin Administrative Code is repealed.

SECTION 3. S-L 12 of the Wisconsin Administrative Code is repealed and recreated to read:

CHAPTER S-L 12  
LEGAL RESERVE REQUIREMENTS

S-L 12.01 REQUIRED PERIODIC TRANSFERS TO RESERVES. (1) INSURED ASSOCIATIONS. At the close of each period each insured association shall make transfers to its legal reserve in an amount as required and determined from time to time by the Commissioner under s. 215.24, Wis. Stats.

(2) NONINSURED ASSOCIATIONS. (a) Transfers required. At the close of each period each noninsured association shall transfer to its legal reserve an amount equal to the lesser of the following:

1. 10% of the sum of the association's net income during the period and the earnings distributed by the association during the period.

2. An amount sufficient to annually increase the ratio of the association's net worth to net assets after deducting those assets qualifying as liquidity under ch. S-L 16 to a level at least .25% higher than that at the close of the association's preceding fiscal year.

3. An amount sufficient to reach the level specified in section (b).

(b) Suspension of transfers upon attaining specified reserve levels. No transfer need be made under s. S-L 12.01 (2) if the association's net worth at the close of the period is equal to or exceeds 10% of the association's net assets at the close of that period after deducting those assets qualifying as liquidity under chapter S-L 16 and the legal reserve is equal to or exceeds 7% of such assets.

12.03 ADDITIONAL RESERVE TRANSFERS REQUIRED BY THE COMMISSIONER. Where he considers such action necessary or desirable, the commissioner may require an association to maintain a higher level of legal reserve and may limit, restrict or prohibit an association from declaring a rate of earnings distribution on any or all classes of savings accounts until such level is attained.

SECTION 4. S-L 18.03 (7) and (8) (a) of the Wisconsin Administrative Code are repealed and recreated to read:

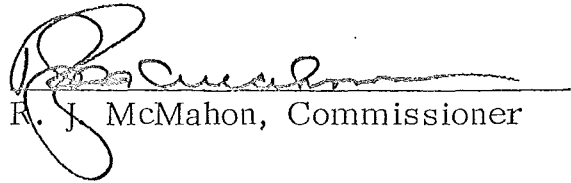
S-L 18.03 (7) LOANS IN EXCESS OF \$400,000. In addition to being subject to any other applicable category limitations, loans in excess of \$400,000 are subject to those limitations specified in s. 215.21 (27), Wis. Stats.

(8) (a) The aggregate of loans made by an association to any one borrower may not exceed the lesser of the following:

1. 10% of the assets of the association.

2. The net worth of the association. ( ENDA )

IT IS FURTHER ORDERED, That Order No. 90 shall become a part of the Rules of the Commissioner of Savings and Loan, Wisconsin Administrative Code, effective the first day of the month following its publication in the Wisconsin Administrative Register for February, 1975, No. 230.



R. J. McMahon, Commissioner